SYSTEM AND METHOD FOR WIRE TRANSFERS USING CRYPTOCURRENCY

TECHNICAL FIELD OF THE INVENTION

[0001] This invention relates generally to wire transfers, and more specifically, to a system and method for wire transfers using cryptocurrency.

BACKGROUND OF THE INVENTION

[0002] Enterprises handle a large number of foreign wire transfer requests on a daily basis. As technology advances, foreign transactions have become more common. For some customers, it may be desirable to conduct a foreign wire transfer in less time than what current foreign wire transfer systems allow.

SUMMARY OF THE INVENTION

[0003] According to embodiments of the present disclosure, disadvantages and problems associated with previous wire transfer systems may be reduced or eliminated.

[0004] In certain embodiments, a system includes a memory and a processor. The memory may store a customer account associated with a customer. The processor may be communicatively coupled to the memory and may cause the system to receive an electronic request for a fund transfer from the customer and initiate a debit of a first amount of a first currency from the customer account. The processor may also cause the system to determine whether using cryptocurrency is optimal. In response to determining using cryptocurrency is optimal, the processor may cause the system to transfer the first amount of the first currency into an account associated with a first cryptocurrency exchange and initiate the purchase of a first quantity of a cryptocurrency from the first cryptocurrency exchange, wherein the first quantity of cryptocurrency is equivalent to the first amount of the first currency. The processor may also cause the system to transfer the first quantity of the cryptocurrency to a second cryptocurrency exchange and initiate the sale of the first quantity of the cryptocurrency at the second cryptocurrency exchange, wherein the sale of the first quantity of cryptocurrency results in a second amount of a second currency. The processor is further able to initiate the transfer of at least a portion of the second amount of the second currency to a recipient.

[0005] Particular embodiments of the present disclosure may provide some, none, or all of the following technical advantages having specific technical effects. In certain embodiments, components of the system may initiate fund transfers using cryptocurrency bypassing the use of traditional wire services thereby reducing dependency on third party networks and increasing the reliability of fund transfers. In another embodiment, initiating fund transfers using cryptocurrency allows for the technical effect of conducting a foreign fund transfer in less time than a foreign fund transfer currently, as it avoids delays that may be caused by relying on third party systems and services. In some embodiments, fund transfers using cryptocurrency reduces the reliance on third party systems and the transfer of customer data to third party system, thus increasing control and security of customer data.

[0006] Certain embodiments of the present disclosure may include some, all, or none of the above advantages. One or more other technical advantages may be readily apparent to those skilled in the art from the figures, descriptions, and claims included herein.

BRIEF DESCRIPTION OF THE DRAWINGS

[0007] For a more complete understanding of the present disclosure and its advantages, reference is made to the following descriptions, taken in conjunction with the accompanying drawings in which:

[0008] FIG. **1** illustrates an example cryptocurrency wire transfer environment;

[0009] FIG. **2** illustrates an example method for cryptocurrency wire transfers, which may be performed by the example system of FIG. **1** to complete a wire transfer using cryptocurrency, according to certain embodiments of the present disclosure; and

[0010] FIG. **3** illustrates an example computer system.

DETAILED DESCRIPTION OF THE INVENTION

[0011] Certain embodiments of the present disclosure provide techniques for performing a wire transfer using cryptocurrency. FIGS. **1** through **3** below illustrate systems and methods for performing a wire transfer using cryptocurrency.

[0012] FIG. **1** illustrates an example cryptocurrency wire transfer environment **100** according to certain embodiments. In general, wire transfers are used by enterprises, such as financial institutions, to transfer funds from one customer account to another customer account. Some wire transfers may move funds from a customer account in one country to a customer account in another country. In response, the enterprise may decide to use a cryptocurrency to transfer the funds. A cryptocurrency is typically a peer-to-peer, decentralized, digital currency whose implementation relies on the principles of cryptography to validate transactions and generate the currency itself. Some examples of cryptocurrencies are: Bitcoin, Litecoin, Ripple, Peercoin, and Dogecoin. In some instances, a cryptocurrency, such as MintChip, may be backed by a government (e.g., Canada). To transfer funds using cryptocurrency, an enterprise may receive payment from a customer and purchase a quantity of a chosen cryptocurrency, at a local cryptocurrency exchange, in an amount equivalent to the received payment. Essentially simultaneously or shortly thereafter, the enterprise may sell the quantity of the chosen cryptocurrency at a foreign cryptocurrency exchange, resulting in a foreign currency that is used by the country in which the recipient account is located. The enterprise may also transfer the quantity of the chosen cryptocurrency from the local cryptocurrency exchange to the foreign cryptocurrency exchange.

[0013] In particular, cryptocurrency wire transfer environment **100** comprises customer device **110**, network **120**, wire transfer server **130**, local exchange server **140**, foreign exchange server **150**, and foreign financial institution server **160**. Customer device **110** is any device customer **102** may use to request a fund transfer by an enterprise. In some embodiments, customer device **110** may be operated by customer **102**. In other embodiments, customer device **110** may be operated by an employee of an enterprise on the behalf of customer **102**. Customer device **110** is a device operable to communicate with network **120**, wire transfer server **130**, or any other suitable components of cryptocurrency wire transfer environment **100**. For example, customer device **110** may be a laptop computer, personal digital assistant (PDA), cellular phone, tablet, portable media player, smart device, or any other device capable of wireless or wired communication. In certain embodiments, customer device **110** may include one or more processors **111**, one or more memories **112**, one or